Program Compliance/Split FRN SLD Box 125 – Correspondence Unit 80 S. Jefferson RD Whippany, NJ 07891

Dear Sirs,

FRN: 1092080

471 Application Number: 399248

Name of Applicant: Mill Creek Valley USD 329

Billed Entity: 137623

SPIN: 143004463 Twotrees Technologies

On September 16 2004 Mill Creek Valley Schools requested a Split FRN by way of the attachment A (attach original letter). Apparently the attached Split FRN was misunderstood as a SPIN change plus the amount of request for the original SPIN was incorrect. The original requested amount was 2308.00 per month and it should have been 1908.33 per month.

We then received attachment B (the fax that you sent to me on Oct. 11) from the SLD stating to resubmit for a SPIN Change. So we submitted Attachment C (the answer to the request). Our original Service provider then received a Funding Commitment Report on Jan. 25, 2005, that not only didn't split the original commitment but ended our contract with them on Sept. 30 of 2004. Our funding commitment to them was reduced from 16,912.02 to 3,064.99 when it should have been reduced to 13,846.05.

So we then submitted a Form 500 on February 14, 2005 to change the end of contract date thinking that the logical conclusion is that the SLC would then extend the 1908.33 per month out to the end of the contract.

In all this confusion all we wanted to do was a Split FRN starting on Oct. 1 2004.

FRN: 1092080

471 Application Number: 399248

Name of Applicant: Mill Creek Valley USD 329

Billed Entity: 137623

SPIN: 143004463 Twotrees Technologies

Original Monthly amount: 2308.00

New Monthly amount starting Oct. 1, 2004: 1908.33 Old Amount of 2308.00 per month for July – Sept. of 2004 FRN: 1092080

471 Application Number: 399248

Name of Applicant: Mill Creek Valley USD 329

Billed Entity: 137623 SPIN: 143004662 SBC New Amount: 608.00

(all is correct on the SBC side of the request)

We have tried to explain this to the best of our ability but please call if you have any questions and please advise the next step to correct this issue.

Thanks,